

REMARKS

In response to the non-final Office Action dated December 03, 2008, for which a one month extension of time fee and petition filed herewith, making the response due April 3, 2009, Applicant files the following response. Applicant has amended claims 1 and 43 to clarify that that the method and system include where a financial card institution provides advertisements for a merchant who provides applications for product or service accounts for said financial card institution. Claims 2, 4-6, and 44-47 have been canceled to further prosecution and/or to reduce issues for appeal. Thus, claims 1, 14, 15, 20, 43, and 48-50 are pending in this application. The present claims are fully supported by the present application and do not include new matter, e.g., as fully supported at pages 6-7 and generally at pages 2-13, of the present application.

On pages 2-3, the Examiner rejects claims 1, 2, 4-6, 14, 15, 20 and 43-50 under 35 USC section 101 as not directed to statutory subject matter, as not including method steps reciting a machine or transformation.

Applicant has amended the remaining claims 1, 14-15, 20, 43 and 48-50 to recite that the method steps and system involve a specific machine component as a meaningful limitation where the step could otherwise be done as a mental step or by a law of nature.

Applicant requests reconsideration and withdrawal of this rejection.

On page 3 of the Office Action, the Examiner rejects all of pending claims 1, 2, 4-6, 14, 15, 20 and 43-50 as indefinite in the use of the terms promoter, third party, primary advertising entity, and offering entity for being distinguished solely by ownership as not imparting patentability.

Applicant has amended the remaining claims 1, 14-15, 20, 43 and 48-50 to remove the objected- to terms and replace them with specific distinguishing terms as a merchant and a financial card institution.

Applicant requests reconsideration and withdrawal of this rejection.

On page 3 of the Office Action, the Examiner rejects all of pending claims 1, 2, 4-6, 14, 15, 20 and 43-50 as indefinite in the use of the term "said account applications" as lacking antecedent basis.

Applicant has amended the remaining claims 1, 14-15, 20, 43 and 48-50 to provide clear antecedent basis for the term "said account applications."

Applicant requests reconsideration and withdrawal of this rejection.

On page 4 of the Office Action, the Examiner rejects all of pending claims 4, 5, 15, 45, 46 and 49 as indefinite in the use of improper Markush groups.

Applicant has canceled claims 4, 5, 45 and 46, and has amended the remaining claims 1, 14-15, 20, 43 and 48-50 to provide proper use of Markush groups.

Applicant requests reconsideration and withdrawal of this rejection.

As presented on pages 4-5 of the Office Action, the Examiner rejects all of pending claims 1, 2, 4-6, 14, 15, 20 and 43-50 as unpatentable under 35 USC section 103(a) over Manchester (US 2003/0204470) citing Manchester at paragraphs [0012], [0017], [0018] and [0024]. The Examiner asserts that steps d through g of claim 1 and corresponding system components of claim 43 are obvious over paragraphs 12, 17, 18 and 24 of Manchester and that steps a-c of claim 1 and corresponding system components of claim 43 are not taught by Manchester, but that it would have been obvious to add these features under the holding in KSR v. Teleflex (82 USPQ2d1385).

Applicant respectfully submits that the Examiner has failed to establish a prima facie case of obviousness by failing to show how Manchester paragraphs 12, 17, 18 and 24 suggest all of the claim elements in claims 1 and 43. The Examiner merely recited steps d-e of claim 1 and then cited paragraphs 12, 17, 18 and 24 of Manchester without showing how these paragraphs suggest the presently claimed invention.

Applicant has amended claims 1 and 43 to clarify that the method and system include where a financial card institution provides advertisements for a merchant who provides applications for product or service accounts for said financial card institution.

Applicant submits that Manchester does not suggest or relate to the presently claimed invention. Manchester provides a dual credit card system where a merchant provides a customer application for a financial institution credit card and then the financial card institution provides both a credit card and where private label purchases can be made with the dual credit card system.

Manchester discloses at paragraphs [0012], [0017], [0018] and [0024]:

“[0012] Since the bankcard back office operation is processing both private-label purchases and bankcard purchases for the dual card user, cardholder statements may include merchant promotion material as well as normal operational customer service matters for both the merchant channel as well as the bankcard channel. The customer service functions may include normal customer service matters as well as collections and settlement issues.”

“[0017] FIG. 1 illustrates the flow diagram of a customer's acquisition of a dual credit card 10. A prospective credit card customer applies for the dual credit card 12 at a merchant issuing/sponsoring a private label credit card. The dual card will be a bankcard branded with the merchant's name and will appear like a bankcard such as (VISA.RTM., MasterCard.RTM., DISCOVER.RTM. or other "general purpose" credit cards). The applicant provides personal, credit and employment information to the dual credit card issuer. Based upon the information supplied, the financial institution issuing the bankcard assigns a credit limit and/or an interest rate 14 and issues the credit card 16 to the applicant. A key element is that the dual credit card issuer is a cooperating financial institution that is issuing the dual credit card as a bankcard for non-merchant sales and a private label credit card for in-merchant sales.”

“[0018] FIG. 2 illustrates the flow diagram of the consumer use of the dual credit card

20. The user goes to the private label merchant physical location, catalog or Internet site to purchase goods or services and uses the dual credit card for payment 22. The merchant uses an in-store reader to communicate the card number, the merchant number and the level of purchase to the private label processing operation 24. The merchant credit card system is able to determine from the BIN number, a part of the credit card account number, that the purchase using the dual credit card should be processed through the private label system rather than the VISA/MC network. If the system detects a non-merchant bankcard, the purchase will be processed through the VISA/MC network."

"[0024] The advantages of such a dual credit card system for the private label merchant is that the customers have one card that can be used in two ways. One way as a private label credit card that provides the private label credit card merchant with a means to provide marketing information to his customers and to ensure that a portion of the credit line is protected for in store purchases. The second way is the use of a recognized brand name card with a potential for lower credit card interchange than a standard bankcard or charge card. The promotional capabilities of a dual credit card are useful to both the merchant and the consumer."

In particular, one non-limiting example of the present invention provides where the promoter is Bob's Garden Supply, a retail garden supply store or chain. Bob's Garden Supply acts as a promoter for Greenturf, a lawn and garden products manufacturer, where Greenturf is also an offering entity for a financial card co-branded with a financial credit card entity, as presented on pages 6-7 of the present application.

An example of mentions/advertisements is as follows:

"THESE GARDENING AND PLANTING REMINDERS ARE PROVIDED COURTESY OF BOB'S GARDEN SUPPLY, (000) 555-8888; AND GREENTURF INC, MAKERS OF WEED-NO-MORE AND GROW-GRASS-GROW."

Such a mention could be very valuable to a small company such as Bob's Garden Supply, which really needs all the customer loyalty aids that it can get, especially since it is trying to compete with giant entities such as Home Depot and Lowe's. The fact that the repeated impressions on numerous customer card transaction statements possibly won't cost Bob's Garden Supply anything should offer proper incentive to offer the card applications. Also, Greenturf gets direct-to-customer promotion for its

products, and also gets the attention of Bob's Garden Supply, being that the Greenturf representative makes all of this possible. This could result in Greenturf having an advantage over the competition when it comes time for Bob's Garden Supply to order inventory stock. Having customers ask for Greenturf products by name, thanks to repeated direct-to-customer mentions/advertising, is certainly a helpful brand builder for Greenturf. Finally, the card entity should at least get Bob of Bob's Garden Supply, as well as some of Bob's employees, family and friends as new cardholders, because it is likely that Bob will enjoy seeing his company's name imprinted on a card transaction statement. Greenturf could promote its own co-branded card, or simply choose to avoid financial cards entirely and offer instead signup applications for home and garden related reminders, tips, or suggestions, or signup applications for advertising comprising coupons, special offers, catalogs, brochures and other promotional literature, or signup applications for special programs, or information dissemination (such as newsletters comprising recipes for those great vegetables that Greenturf helped grow), with or without home and garden related reminders, tips, or suggestions. Regardless, the applications would be coded to ensure that Bob's Garden Supply receives acknowledgement. There is a distinction that needs to be made at this time. A business such as Bob's Garden Supply is not like a franchisee whose parent company sends out advertisement flyers with the franchisee's name and contact information attached based on a mailing list. A business such as Bob's Garden Supply may have several (if not numerous) vendors, each competing with each other for Bob's business. This method, using coded applications for anything that uses, or can be adapted to use, an application process, is intended to act as a tool that enables the vendor that supplies this method for the benefit of Bob's Garden Supply an advantage over other vendors. [Underlined emphasis added]

The above example illustrates that the merchant, Bob's Garden Supply, is not the offering financial card institution, does not provide financial cards for purchase of products or services provided by the merchant, nor does Bob's Garden Supply co-brand a financial card.

In contrast,

Manchester (2003) citations:

"The dual credit card system is in two parts: a) the creation of a dual credit card and b) the usage of a dual credit card. The creation begins with the receipt of an application by the merchant for a dual credit card. The issuing organization determines the interest rate and the credit line and issues the dual credit card to applicant. This is a combined private label and bankcard product with one interest rate and one credit line. That credit line will have a portion which is available only at the merchant's location. The issuer will determine that single credit line and the interest rate." [page 1, p. 9]

"FIG. 1 illustrates the flow diagram of a customer's acquisition of a dual credit card 10. A prospective credit card customer applies for the dual credit card 12 at a merchant issuing/sponsoring a private label credit card. The dual card will be a bankcard branded with the merchant's name and will appear like a bankcard such as (VISA®, MasterCard®, DISCOVER® or other "general purpose" credit cards). The applicant provides personal, credit and employment information to the dual credit card issuer. Based upon the information supplied, the financial institution issuing the bankcard assigns a credit limit and/or an interest rate 14 and issues the credit card 16 to the applicant. A key element is that the dual credit card issuer is a cooperating financial institution that is issuing the dual credit card as a bankcard for non-merchant sales and a private label credit card for in-merchant sales." [page 2, p. 17]

"Since the bankcard back office operation is processing both private-label purchases and bankcard purchases for the dual card user, cardholder statements may include merchant promotion material as well as normal operational customer service matters for both the merchant channel as well as the bankcard channel. The customer service functions may include normal customer service matters as well as collections and settlement issues." [page 1, p. 12]

"The advantages of such a dual credit card system for the private label merchant is that the customers have one card that can be used in two ways. One way as a private label credit card that provides the private label credit card merchant with a means to provide marketing information to his customers and to ensure that a portion of the credit line is protected for in store purchases. The second way is the use of a recognized brand name card with a potential for lower credit card interchange than a standard bankcard or charge card. The promotional capabilities of a dual credit card are useful to both the merchant and the consumer." [page 2, p. 24]

Manchester at best teaches or suggests where merchant co-brands a financial card with the dual use credit card issued by the financial card institution or wherein said the financial card issues the dual use card that can be used as either a traditional "general purpose" bankcard, or as a private label merchant credit card solely for purchases with the merchant. However, the present claims require that the merchant does not co-brand a financial card with a financial card institution, or that the merchant does not issue or sponsor a private label credit card, which are required features of Manchester.

Accordingly, Manchester fails to teach or suggest the presently claimed method or financial card network.

Reconsideration and withdrawal of this rejection is requested.

Applicant respectfully requests entry of this amendment, and allowance of the present application.

Respectfully submitted,
/Ronald J. Rosenberger/
Ronald J. Rosenberger
Applicant

Date: April 3, 2009